

Single Audit Extensions

Background: OMB Circular A-133 requires a subrecipient to conduct a single audit within 9 months after the end of its fiscal year if they expend more than \$500,000 in federal grant funds. Occasionally, subrecipients request an extension of the 9 month deadline and they may contact the State of Vermont granting agency (Pass-Through Entity) to approve their request.

Issue: Does the State of Vermont have the authority to grant extensions to the 9 month deadline for a subrecipient to complete its single audit in accordance with A-133?

Response: No - The State of Vermont does not have the authority to grant extensions for single audit submissions. Although OMB Circular A-133 gives **Federal** agencies the authority to grant extensions of the 9 month single audit submission deadline, it does **not** extend this authority to Pass-Through Entities. Furthermore, Memorandum M-10-14 issued by OMB on 3/22/2010 requires Federal agencies to deny **all** requests for extensions for fiscal years 2009 through 2011.

With the exception of fiscal years 2009 through 2011 that are restricted by Memorandum M-10-14, OMB Circular A-133, §____.400 (a)(2), authorizes Federal agencies to grant extensions of the 9 month single audit submission deadline at their discretion. Memorandum M-10-14 also requires grantees to be in compliance with all requirements of A-133 for two years, including timely submission of audit reports, in order to maintain a low-risk auditee status.

In summary, the State of Vermont has never been granted the authority to grant extensions and Federal agencies are unlikely to approve extension requests until FY2012 or later.

Procedures: If a subrecipient inquires about a possible extension to the single audit due date, refer them to the FAC website which is listed in the References section of this document. There they will be able to identify the proper federal official to contact regarding an extension request. Encourage the subrecipient to meet the deadline to avoid being classified as a high-risk auditee by the federal government.

All Single audit reports not received by their due date should be considered delinquent and are subject to appropriate follow-up in accordance with each department's Bulletin 5 Subrecipient Monitoring Plan.

References:

Memorandum M-10-14, Item 7 (http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-14.pdf)

“Due to the importance of the Single Audits and the reliance of Federal agencies on the audit results to monitor the accountability of Recovery Act programs, **agencies should not grant any extension request to grantees for fiscal years 2009 through 2011.** In order to meet the criteria for a low-risk auditee (OMB Circular A-133 §____.530) in the current year, the prior two years audits must have met the requirements of OMB Circular A-133, including report submission to the FAC by the due date (OMB Circular A-133 §____.320). “

Federal Audit Clearinghouse - Frequently Asked Questions (<http://harvester.census.gov/sac/FAQ>)

“9. Q- How do I request an extension on the due date?

A- Federal agencies no longer grant extensions to due dates for Single Audit submissions. If the auditee or auditor wishes to inform the Federal agency they will be late, he or she may do so by contacting the Federal oversight or cognizant agency for the audit. Contact information is available in Appendix III of the OMB Circular A-133 Compliance Supplement, or at <http://harvester.census.gov/fac/APPX3.htm> “